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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/895,886	06/29/2001	Michael Joseph Calderaro	AUS9-2001-0236-US1	7083
40412	7590	04/05/2006		
IBM CORPORATION- AUSTIN (JVL) C/O VAN LEEUWEN & VAN LEEUWEN PO BOX 90609 AUSTIN, TX 78709-0609			EXAMINER HARBECK, TIMOTHY M	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 04/05/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	Application No.	Applicant(s)	
	09/895,886	CALDERARO ET AL.	
	Examiner	Art Unit	
	Timothy M. Harbeck	3628	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --**

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 1/30/2006.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-4, 7-11, 14-17 and 20 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4, 7-11, 14-17 and 20 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                                   | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)               | Paper No(s)/Mail Date. _____  |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date <u>01/06/2006, 1/20/06, 3/19/06, 10/17/05</u>                                | 6) <input type="checkbox"/> Other: _____                                    |

## DETAILED ACTION

### *Claim Rejections - 35 USC § 103*

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4, 7-11, 14-17 and 20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Paizis (US PAT 6,338,042 B1).

**Re Claim 1:** Paizis discloses a method and apparatus for integrating competency measures in compensation decisions comprising

- Receiving planning factor data from a user, the planning factor data (employee data from performance evaluations including competency and contributions) corresponding to one or more employees and the planning factor data including compensation planning data (Figures 5A, 5B and 5C, Column 5, lines 34-48);
- Storing the planning factor data in employee profile data areas (Ref 502), wherein each employee profile data area corresponds to one of the employees (Figures 5A, 5B and 5C);
- Retrieving actual employment data for each of the employees, the actual employment data (current salary and names of employees) including employee contribution data and actual compensation (Ref 502; Column 9, lines 17-25) and

- Analyzing the compensation planning data corresponding to one or more employees using the contribution data corresponding to one or more employees (Column 9, lines 53-62 and Column 10, lines 15-30)
- Selecting one of the employees from the group (Ref 402)
- revising compensation planning data corresponding to the selected employee (Column 10 lines 15-30)

Paizis does not explicitly disclose the method comprising selecting a group of employees; calculating an aggregate compensation for the group; retrieving budget data corresponding to the group and determining a variance between the aggregate compensation and the budget data, calculating a second aggregate compensation for the group and determining a second variance between the second aggregate compensation and the budget data. However these steps could easily be performed using the current system and furthermore would have been obvious to anyone skilled in the ordinary art at the time of invention. Figures 5B and 5C clearly show the compensation for a group of individuals. Individual entries could be grouped together and aggregated for a variety of reasons, most notably to determine the overall salary compensation for a particular unit or for a particular project. One would simply select all the individuals in that unit or project and add their compensations together.

Comparing the budget data (Ref 414) corresponding to the group to the aggregate compensation would also be obvious to any competent business manager so they can determine if a particular project is operating efficiently. If for instance the aggregate compensation for the employees assigned to a project exceeds the budget

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allotted for that project the employer would want to know this information in order to make adjustments (i.e. move individuals from this project to a different one or reprimand workers for not meeting expectations). At the same time if the project is going well and is under budget the manager may recommend increased compensation to the employees for their superior work.

Furthermore the manager would want to compare the new compensation information to the current budget so that future plans relating to expenditures can be made. If the compensation information is not updated correctly then all of the budget information will be invalid which would adversely affect future decisions regarding the project.

**Re Claim 2:** Paizis further discloses the method of

- Identifying high contributing employees by analyzing employee performance data included in an employee profile data area corresponding to each employee (Ref 524, Column 9 lines 57-60)
- Determining whether the planning factor data corresponding to the high contributing employees is accurate (Column 9 line 63- Column 10 line 3);
- Revising the planning factor data in response to the determination (Column 9 line 63-Column 10 line 3; "revised rankings")

**Re Claim 3:** Paizis further discloses the method of

- Identifying an employee classification corresponding to one of the employees (Column 6 line 57- Column 7 line 8 and Column 10, lines 8-10)

- Retrieving benchmark compensation data from a nonvolatile storage device corresponding to the identified employee classification (See Column 10, lines 8-10 and Column 6, lines 48-56 and Ref 110)
- Comparing the retrieved benchmark compensation with actual compensation data corresponding to the employee (Column 7 line 9-15 and Column 10, lines 15-30 and lines 64-67)

**Re Claim 4:** Paizis further discloses the method wherein the benchmark compensation data is selected from a group consisting of regional compensation data and organizational compensation data (See Column 10, lines 8-10 and 64-67 and Column 6, lines 48-56).

**Re Claim 7:** Paizis further discloses the method wherein the compensation planning data includes one or more from the group consisting of a salary amount, a stock option amount, and an award amount (Column 5, lines 34-37)

**Re Claims 8-11:** Further information handling system would have been obvious to perform previously rejected method claims 1-4 respectively and are therefore rejected using the same art and rationale.

**Re Claims 14-17 and 20:** Further computer program product would have been obvious to perform previously rejected method claims 1-4 and 7 respectively and are therefore rejected using the same art and rationale.

### ***Response to Arguments***

Applicant's arguments filed 1/30/2006 have been fully considered but they are not persuasive.

Applicant has argued that the examiner has not established a prima facie case of obviousness because the reference does not teach or suggest all the limitations of the claimed invention. The examiner however still believes that that the Paizis reference, in combination with the knowledge generally available to one of ordinary skill in the art provides more than enough motivation to combine. While it is true parts of the Paizis reference deal with individual employees as stated by the applicant there is also numerous examples of these individuals being grouped (see abstract and FIGS 5A-5C). Furthermore, simply grouping a set of individuals and performing a variety of mathematical calculations on said group (calculating an aggregate, determining a variance, recalculating after adjustments) is well within the range of anyone of ordinary skill. These procedures have been done for years in spreadsheet software programs and the examiner believes are not novel or inventive. The motivation for performing these steps, as previously noted in the rejection could include, but are not limited to, determining the overall salary compensation for a particular unit or for a particular project, or comparing the overall increase in compensation for employees in a similar position. These types of financial issues always loom over any project and given a set of data, any person of ordinary skill would find it fit to manipulate the data in a manner to which it can be further interpreted. The previous rejections are therefore maintained.

As to applicants further contention that the references do not show such steps as "selecting one of the employees from the group," and "revising compensation planning data corresponding to the selected employee, (Remarks, bottom of page 13)" the examiner believes that the reference not only suggests these limitations but explicitly

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teaches the limitations (Column 10, lines 15-30). The previous rejections are therefore maintained.

In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

### ***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the mailing date of this final action.




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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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HYUNG SOUGH  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER